

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

MARKET DOMINANT PRODUCT PRICES
INBOUND MARKET DOMINANT REGISTERED SERVICE
AGREEMENT
NEGOTIATED SERVICE AGREEMENTS

Docket No.
MC2016-168

MARKET DOMINANT PRODUCT PRICES
INBOUND MARKET DOMINANT REGISTERED SERVICE
AGREEMENT (MC2016-168)
NEGOTIATED SERVICE AGREEMENT

Docket No.
R2016-6

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO CHAIRMAN'S
INFORMATION REQUEST NO. 1**
(August 9, 2016)

The United States Postal Service hereby gives notice of filing its response to Chairman's Information Request No. 1 in this proceeding, which the Commission issued on August 2, 2016. Each question is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE
By its attorneys:

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August 9, 2016

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
COMMISSION INFORMATION REQUEST NO. 1
DOCKET NO. R2016-6**

1. Please explain why the Postal Service did not file notice of an agreement entered into on October 1, 2013, until July 13, 2016.

RESPONSE:

The Postal Service regrets its oversight in not filing the Registered Service Agreement with the Postal Regulatory Commission (Commission) sooner. In 2013, the Postal Service undertook to report to the Commission revenue information about the Registered Service Agreement. The Postal Service believed that revenue to be similar to the supplemental revenue resulting from the Postal Service's participation in the optional Universal Postal Union (UPU) program to receive additional payments for Registered Mail scans with participating countries, as provided in Universal Postal Union (UPU) Letter Post Regulation RL 213bis. The Commission was notified of the Postal Service's decision to join that UPU optional program in May 2013. While we are not able to provide a definitive response concerning the understanding in 2013 of the persons responsible for this agreement, because the two programs are similar in nature, it is conceivable that the notice furnished to the Commission about the UPU program may have led to incorrect assumptions about the necessity of further notice regarding the Registered Service Agreement. During the process of preparing the recently filed update to the Express Service Agreement,¹ information about the Registered Service Agreement became available to persons knowledgeable about Commission filing requirements, and at that time, it was determined that the agreement should be filed with the Commission as a Type 2 rate adjustment. Again, the Postal Service regrets the

¹ Notice of United States Postal Service Providing Update concerning Express Service Agreement, Docket No. R2011-6, July 7, 2016.

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oversight. It takes its filing responsibilities seriously and will aim to avoid such situations in the future.

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2. Please explain why revenue for this agreement was previously reported with International Ancillary Service.

RESPONSE:

As discussed in the response to Question 1 of this Chairman's Information Request, at the time the Postal Service acceded to the Registered Service Agreement, the Postal Service considered that it was sufficient to add any resulting additional inbound revenue from the Registered Service Agreement to the registered revenue that the Postal Service was already reporting within the existing Inbound Registered Mail product in the International Ancillary Services category in the Mail Classification Schedule.